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**BILL REQUEST - CODE REVISER'S OFFICE**

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BILL REQ. #: S-4464.1/02

ATTY/TYPIST: LL:rmh

BRIEF DESCRIPTION:

2 SHB 2389 - S COMM AMD  
3 By Committee on Ways & Means

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5 Strike everything after the enacting clause and insert the  
6 following:

7 "Sec. 1. RCW 41.40.795 and 2000 c 247 s 304 are each amended to  
8 read as follows:

9 (1) As used in this section, unless the context clearly requires  
10 otherwise:

11 (a) "Transfer period" means the time during which a member of one  
12 of the groups of plan 2 members identified in subsection (2) of this  
13 section may choose to irrevocably transfer from plan 2 to plan 3.

14 (b) "Transfer basis" means the accumulated contributions present in  
15 a member's savings fund on March 1, 2002, less fifty percent of any  
16 contributions made pursuant to RCW 41.50.165(2), which is the basis for  
17 calculation of the plan 2 to plan 3 additional transfer payment.

18 (c) "Additional transfer payment date" means June 1, 2003, the date  
19 of the additional transfer payment made according to subsection (6) of  
20 this section.

21 (2) Every plan 2 member employed by an employer in an eligible  
22 position has the option during their transfer period to make an  
23 irrevocable transfer to plan 3 according to the following schedule:

24 (a) For those members employed by state agencies and institutes of  
25 higher education the transfer period means the period between March 1,  
26 2002, and September 1, 2002.

27 (b) For those members employed by other organizations the transfer  
28 period means the period between September 1, 2002, and June 1, 2003.

29 (c) For those members employed by more than one employer within the  
30 retirement system, and whose transfer period is different between one  
31 employer and another, the member's transfer period is the last period  
32 that is available from any of that member's employers within the  
33 retirement system.

34 (3) All service credit in plan 2 shall be transferred to the  
35 defined benefit portion of plan 3.

1 (4)(a) Anyone who first became a state or higher education member  
2 of plan 2 before March 1, 2002, or a local government member of plan 2  
3 before September 1, 2002, who wishes to transfer to plan 3 after their  
4 transfer period may transfer during the month of January in any  
5 following year, provided that the member earns service credit for that  
6 month.

7 (b) Anyone who chose to become a state or higher education member  
8 of plan 2 on or after March 1, 2002, or a local government member of  
9 plan 2 on or after September 1, 2002, is prohibited from transferring  
10 to plan 3 under (a) of this subsection.

11 (5) The accumulated contributions in plan 2, less fifty percent of  
12 any contributions made pursuant to RCW 41.50.165(2) shall be  
13 transferred to the member's account in the defined contribution portion  
14 established in chapter 41.34 RCW, pursuant to procedures developed by  
15 the department and subject to RCW 41.34.090. Contributions made  
16 pursuant to RCW 41.50.165(2) that are not transferred to the member's  
17 account shall be transferred to the fund created in RCW 41.50.075(3),  
18 except that interest earned on all such contributions shall be  
19 transferred to the member's account.

20 (6) (~~Anyone who requests to transfer under this section during~~  
21 ~~their transfer period, and establishes~~) Those members employed by  
22 state agencies and institutes of higher education who request to  
23 transfer under this section during their transfer period and establish  
24 service credit for June 2002, and those members employed by other  
25 organizations and who establish service credit for either June 2002 or  
26 February 2003, shall have their member account:

27 (a) If a member's transfer period is that described in subsection  
28 (2)(a) of this section, increased by one hundred ten percent of the  
29 transfer basis;

30 (b) If a member's transfer period is that described in subsection  
31 (2)(b) of this section, increased by one hundred eleven percent of the  
32 transfer basis; and

33 (c) Deposited into the member's individual account on the  
34 additional transfer payment date.

35 (7) If a member who requests to transfer dies before June 1, 2003,  
36 the additional payment provided by this section shall be paid to the  
37 member's estate, or the person or persons, trust, or organization the  
38 member nominated by written designation duly executed and filed with  
39 the department.

1 (8) Anyone previously retired from plan 2 is prohibited from  
2 transferring to plan 3.

3 (9) The legislature reserves the right to discontinue the right to  
4 transfer under this section and to modify and to discontinue the right  
5 to an additional payment under this section for any plan 2 members who  
6 have not previously transferred to plan 3."

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10 On page 1, line 2 of the title, after "plan 3;" strike the  
11 remainder of the title and insert "and amending RCW 41.40.795."

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